

**Testimony Before
Kansas Health Policy Authority
July 27, 2006**

Executive Director Nielson and members of the Health Policy Authority, my name is Roger John. Thank you for this opportunity to present to you today. I'm here today in two capacities. First as a chief executive officer of Great Plains Health Alliance located in Phillipsburg, Kansas about an hour north of here. We are a system of about 30 very small rural hospitals in Kansas. All of them are Critical Access Hospitals. Second, I am here representing community hospitals across the state in my capacity as Chairman-Elect of the Kansas Hospital Association.

You've heard lots of information about health care issues at previous forums, but we wanted to spend some time today talking about something that many think is on the horizon—health care reform. There is a growing sense that reform will happen on the state level first, with Congress finally acting as the result of pressures created by these reforms. Certainly, the establishment of the Kansas Health Policy Authority shows that Kansas is serious about addressing health policy through a deliberate process. Your role is extremely important as you listen to, convene and facilitate discussion around health care policy and system reforms. The KHA Board is interested in these issues as well and will be continuing its discussions at our September meeting.

The disarray of our current system challenges us to look closely at change. There is a general feeling that the “tipping point” for health care reform is close at hand causing states to establish policies that directly impact the way their citizens access and pay for their health care. The plan passed in Massachusetts is the best and most recent example, but there are numerous other states that are seriously considering health reform. Massachusetts is focusing its efforts on mandating health insurance coverage and assuring that those who cannot afford insurance are covered through state efforts. Arkansas and Maine are addressing the same issue but mandating or making low cost coverage available through the employer. Illinois as well, but their focus is on children. Pennsylvania is using Medicaid and West Virginia is using the State Employee plans as their vehicle to expand access and coverage. We understand that the legislature has directed the Authority to look specifically at the components of the Massachusetts plan and that the Governor has asked you to expand your look to other state models as well. We hope you will do that and we pledge to help and participate in anyway we can.

As the Authority looks at reforms to the health care system in Kansas, we offer the following principles developed by the American Hospital Association for your consideration. AHA proposed that health care reforms should:

- Provide affordable coverage for everyone's basic health care needs;
- Provide care equitably to all;
- Be based on the premise that health is a shared responsibility;

- Demand better stewardship of limited resources;
- Be sufficiently financed to meet long term responsibilities;
- Emphasize wellness and center on preventive and primary care;
- Deliver high quality, evidence-based care;
- Be structured to provide more coordinated continuity of care;
- Be simple and easy to understand and navigate; and
- Be transparent in sharing information with consumers and clinicians.

Perhaps most importantly, health care reform in Kansas or nationally will not be possible unless the approach is collaborative. Consumers, business, providers, the state and payers must all be at the table.

As you consider not only health care reform, but also your day to day responsibilities for Medicaid and State Employee health plan functions, please remember that Kansas is a large state geographically and that parts of the state are vastly different in the way folks access and deliver health care. In all of the communities Great Plains touches, health care is an extremely important part of the community. Not only do we give the care that folks need, but we are part of the community leadership, a major employer and a service that, like education, holds the community together. Rural Kansas health care doesn't have the economies of scale you find in larger communities. Your policies have tremendous impact on us.

You will hear more of this in other testimony so I won't detail the issues of workforce shortages, demands for expanding information technology, increasing regulation and decreasing reimbursement when compared to the increasing costs we incur. Again, thank you for the opportunity to provide input today. I'll remain available for questions should they arise.